

**Agency Activity Inventory**  
**by Agency**  
**Appropriation Period: FY 2006-07**

**Agency:** R08 - Workers' Compensation Commission

**Functional Group:** Transportation & Regulatory

**1323 Administration**

The Administration Activity provides support services to all the divisions of the Workers' Compensation Commission. The program provides executive leadership, support, policy development and review, personnel and other human resources activities, facility management, budget and financial management, legal services, information resource management, communications, and overall agency direction. The program also provides information to the general public, including individual employers, employer groups, employees, insurance carriers, attorneys, state agencies, the General Assembly and other states or political subdivisions.

**FY 2006-07**

<b>Total</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Supp. Funds</b>	<b>CRF</b>	<b>Other Funds</b>	<b>FTEs</b>
\$1,596,363	\$934,758	\$0	\$0	\$0	\$661,605	16.00

**Expected Results:**

Provide all services necessary to maintain the administrative functioning of the agency. Prepare the budget, accountability report and annual report according to established timelines. Conduct seminars for the well-being of staff. Provide information and assistance on human resources issues on a timely basis. Provide all requested information on a timely basis. Information Resource Management maintains the data system and provides technical support when requested and necessary.

**Outcome Measures:**

All services are provided to maintain the administrative functioning of the agency. The budget, GAAP reports, accountability report, and annual report are prepared and submitted in a timely manner. Seminars and trainings are provided for the well-being of the staff. Information on benefits and other personnel related issues are provided upon request and when received. With the assistance from the CIO and agency staff all request for information technology problems are identified and corrected on a timely basis with as little down time as possible.

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**1324 Adjudication**

The Workers' Compensation Commission is a highly specialized, single purpose organization created under Title 42 with three areas that contribute to the overall adjudication of workers' compensation claims: Claims, Judicial, and Insurance & Medical Services. The Commission's mission is linked to its program goals by a common purpose and commitment to the principles of equity, fairness, timeliness, accuracy, and reliability that are fundamentally inherent in a state regulatory system that requires the participation of almost every employer and employee in South Carolina. The Commission manages a system of benefits by holding hearings and informal conferences to resolve contested issues; monitors the management of all claims to ensure that benefits are paid accurately and timely; administers a self-insurance alternative for South Carolina employers; ensures

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compliance with the Workers' Compensation Act; and establishes a medical fee schedule that contain medical costs while assuring access to quality health care. Title 42, Chapters 1 & 3 describe the duties of the Workers' Compensation Commission.

**FY 2006-07**

<b>Total</b>	<b>General Funds</b>	<b>Federal Funds</b>	<b>Supp. Funds</b>	<b>CRF</b>	<b>Other Funds</b>	<b>FTEs</b>
\$3,555,585	\$2,317,190	\$0	\$0	\$0	\$1,238,395	49.00

**Expected Results:**

Receive and process initial reports of occupational injuries and illnesses, review all claims for completely and timely payment of all benefits, review settlements for completeness and accuracy, close claims timely and accurately; prepare and schedule unresolved claims for either an informal conference (viewing), hearing or appellate review, make settlement recommendations (viewings) or adjudicate findings (hearings and reviews) to resolve disputed issues, approve settlement agreements, lump-sum awards and attorney fee petitions; and develop and maintain payment systems providers of medical services to injured workers, review and approve applications from corporations and prospective funds to self-insure workers' compensation liabilities, monitor the financial condition of self-insured employers and funds, ensure all companies individuals covered by the Workers' Compensation Act comply with its provisions.

**Outcome Measures:**

Review/record accident reports within 2 days of receipt, review initial notices of payment of temporary total within 1 day, review settlements within 1 day, close claims within 3 days of receipt of Form 19, conduct annual reviews on open cases; process viewing requests within 5 days, dispose of 90% of hearings within 120 days, docket appeals within 60 days, process hearing requests within 10 days, dispose of 80% of informal conferences within 90 days, dispose of 90% of appeals within 90 days; and revise and maintain the Medical Service Provider Manual, the hospital inpatient and outpatient systems, review contested medical bills within 5 days, review corporate applications to self-insure within 60 days, review fund member applications to self-insure within 2 days, collect self-insured taxes within 120 days, maintain employers coverage database and verify coverage database and verify coverage within 5 days, perform unannounced business contacts, perform self-insured audits, complete investigations in 120 days.

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**1613 Computer Project**

Funding is for the initial year of a three year transition to a new computer system. The Commission's current client/server relational database system was designed and installed in 1990 and the technical infrastructure can no longer meet the current and future needs of the Commission and its clients. The system is out-of- date, highly unreliable and does not meet the information needs of the agency. The Commission has contracted with the Budget & Control Board's Division of the State Chief Information Officer (CIO) to oversee the implementation of recommendations arising from the CIO's study of the Commission's information system.

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\$854,757	\$0	\$0	\$0	\$854,757	\$0	0.00

**Expected Results:**

In the initial phase, existing hardware that does not meet State standards will be replaced with a modern server and peripheral equipment to stabilize the system. In conjunction, the Progress® Database Software will be upgraded to Version 9 to increase and improve the systems functionality. Outdated desktop hardware, software and associated peripherals also will be replaced. The Commission will then select a common, industry standard database software system for all future development. The Commission will then prioritize and begin migrating existing applications to the new software and will conduct a business analysis to identify and implement new business applications.

**Outcome Measures:**

The Commission and the State CIO will enter into an agreement for the CIO to oversee this three year project. System stability should improve by the end of the second quarter of the fiscal year. By the end of the first quarter, servers and peripheral equipment will be replaced and the system stabilized. The number of system-wide failures, currently occurring more than five times daily, should be less than five times per month. All outdated desktop hardware, software and related equipment have been replaced, and by the end of the third quarter all employees trained on the new software. By the fourth quarter, the Progress Version 6 will be replaced by Version 10 and the new industry standard data base chosen. By the end of the fourth quarter, all current applications of use will have been transferred to the new system and the design of new business applications begun. Process times for all major applications will improve multifold. The General Assembly provided complete funding for this three-year program to upgrade the agency computer system. The old system is out of date, unreliable, and no longer meets agency and client needs.

**AGENCY TOTALS**

*Workers' Compensation Commission*

<b>TOTAL AGENCY FUNDS</b>	<b>TOTAL GENERAL FUNDS</b>	<b>TOTAL FEDERAL FUNDS</b>	<b>TOTAL OTHER FUNDS</b>
\$6,006,705	\$3,251,948	\$0	\$1,900,000
	<b>TOTAL SUPPLEMENTAL FUNDS</b>	<b>TOTAL CAPITAL RESERVE FUNDS</b>	<b>TOTAL FTEs</b>
	\$0	\$854,757	65.00